EXHIBIT 300   **UII 015-000000014**

Exhibit 300: Capital Asset Summary
Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview & Summary Information

Date Investment First Submitted: 2009-06-12
Date of Last Change to Activities: 2012-05-31
Investment Auto Submission Date: 2012-02-27
Date of Last Investment Detail Update: 2012-02-27
Date of Last Exhibit 300A Update: 2012-08-31
Date of Last Revision: 2012-08-31

Agency: 015 - Department of the Treasury   **Bureau:** 45 - Internal Revenue Service

Investment Part Code: 01

Investment Category: 00 - Agency Investments

1. Name of this Investment: Individual Master File (IMF)

2. Unique Investment Identifier (UII): 015-000000014

Section B: Investment Detail

1. **Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

   IRS is responsible for collecting revenue from individuals to fund the operations of the federal government. In order to effectively accomplish this goal, it must maintain authoritative data on individual taxpayers. The Individual Master File (IMF) is the authoritative data stores for individual taxpayers accounts. Within the IMF accounts are updated, taxes are assessed, and refunds are generated as required each tax filing period. Virtually all IRS information system applications and processes depend on output, directly or indirectly, from this data source.

2. **How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.**

   The IMF project is a critical component of IRS's ability to process tax returns, and must remain in operation. Corporate Data and System Management Domain has the primary responsibility for the IMF project, however, this investment also requires developmental support from another business area at IRS, and the cost of these services are included as part of this Exhibit. These services include Enterprise Systems Testing (EST), since new and/or modified code for production should be tested. IMF is the authoritative data source for

EXHIBIT 300   **UII 015-000000014**

individual tax account data. All the other IRS information system applications that process IMF data depend on output from this source. IMF is a critical component of IRS' ability to process tax returns.

3. **Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.**

IMF provides processing and secure data storage for individual tax filings and supports many other IRS entities and other government agencies and external entities. New legislation creates moderate risks for a system that relies on first generation language, the IMF is consistently run well by an experienced and stable project team and manager with a high level of stakeholder involvement. Important enhancements for Filing Season 2011 included "First Time Homebuyer repayments, additional Savings Bond options, Adoption Credit, Financial Accounting upgrades, new Identity Theft tracking plus several changes for Small Business based legislative changes and continuing Combat Zone changes."   The project has operated on a stay in business mode pending modernization efforts by CADE 2.

4. **Provide a list of planned accomplishments for current year (CY) and budget year (BY).**

In FY2012 CADE2 TS1 will integrate and reuse elements of current Individual Master File (IMF) processing. For the Filing Season 2012, IMF will migrate from weekly processing to daily processing. This transition will make relative changes to the IMF code to support daily processing, however, the basic structure will remain the same. IMF will also be interacting with the Database Implementation project initiative for technical support staff and programmatic modifications. IMF will be performing Operations & Maintenance for tax law and maintenance changes.   For 2013 the Individual Master File elements will be leveraged to fill the functional needs of the individual taxpayer account processing.

5. **Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology specialist, a security specialist and a business process owner before OMB will approve this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.**

2010-05-27

EXHIBIT 300

UII 015-000000014

Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding				
	PY-1 & Prior	PY 2011	CY 2012	BY 2013
Planning Costs:	$0.0			$0.0
DME (Excluding Planning) Costs:	$0.0	$0.0	$0.0	$0.0
DME (Including Planning) Govt. FTEs:	$11.3	$3.3	$2.6	$2.6
Sub-Total DME (Including Govt. FTE):	$11.3	$3.3	$2.6	$2.6
O & M Costs:	$0.0	$3.1	$3.1	$3.1
O & M Govt. FTEs:	$43.1	$1.8	$4.6	$4.6
Sub-Total O & M Costs (Including Govt. FTE):	$43.1	$4.9	$7.7	$7.7
Total Cost (Including Govt. FTE):	$54.4	$8.2	$10.3	$10.3
Total Govt. FTE costs:	$54.4	$5.1	$7.2	$7.2
# of FTE rep by costs:	292	73	73	73

Total change from prior year final President's Budget ($)		$0.0	$0.0	
Total change from prior year final President's Budget (%)		0.00%	0.00%	

EXHIBIT 300   **UII 015-000000014**

2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy											
Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value ($M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
	NONE										

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

This investment does not contain any open contractor-supported DME milestones. All DME activities are completed by Government resources.

EXHIBIT 300   **UII 015-000000014**

Exhibit 300B: Performance Measurement Report

Section A: General Information

Date of Last Change to Activities: 2012-05-31

Section B: Project Execution Data

Table II.B.1 Projects					
Project ID	**Project Name**	**Project Description**	**Project Start Date**	**Project Completion Date**	**Project Lifecycle Cost ($M)**
2163	IMFOUT	IMF Output analyzes, reformats and extracts taxpayer data received from IMF Posting & Analysis processing to Refunds, Notices, Transcripts, Unpostables, Recap and IDRS processing. The Refund data is sent to Austin Regional Operating Center (AROC); Notice data is passed to NRPS processing; Transcripts are sent to the Service Centers for printing; Recap reports are sent to the Service Centers; and data extracted for IDRS is sent to the Service Centers.			
2162	IMFOL	IMFOL is the Individual Master File On-Line project. IMFOL is part of the Corporate Files ON-Line (CFOL) system and is used primarily to display tax account information on individual taxpayers to IDRS users. The database and software provide interfaces to other projects such as ENTCK, National Account			

EXHIBIT 300

UII 015-000000014

Table II.B.1 Projects					
Project ID	**Project Name**	**Project Description**	**Project Start Date**	**Project Completion Date**	**Project Lifecycle Cost ($M)**
		Profile/On-Line Entity (NAP/OLE), and Telephone Routing Interactive System (TRIS). The system is hosted on ECC-MTB's IBM mainframe computer using Customer Information Control System (CICS) as a transaction processor. The database structure for IMFOL is through the Integrated Data Retrieval System/Security and Communications System (IDRS/SACS) telecommunication and security network. All IMFO programs are written in Assembler Language, COBOL, CICS and execute on the IBM Mainframe at ECC-MTB.			
2164	IMFPOST	IMF Posting posts transactions for 1040 filers, reconcile debits and credits, update status, compute and assess/abate penalties and interest. IMF Analysis programs analyze individual accounts, performs issue detection, and analyze for subsequent action, notices, refunds, etc.			
2165	IMFPRE	IMF Pre-Posting project reformats tax forms and transactions, and performs preliminary checks and validation, before passing them to the IMF.			
2160	IMFDIF	IMFDIF is a mathematical technique used to pre-classify and identify a return's high audit potential. All individual returns are DIF scored but only those above the cut-off are placed onto inventories and made available to Examination field personnel for selection. Returns can either be			

EXHIBIT 300   **UII 015-000000014**

Table II.B.1 Projects

Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost ($M)
		selected specifically via a TC424 or bulk ordered via an ordering system. These accounts provide significant workload for field Examination personnel.			

Activity Summary

Roll-up of Information Provided in Lowest Level Child Activities

Project ID	Name	Total Cost of Project Activities ($M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance ($M)	Cost Variance (%)	Total Planned Cost ($M)	Count of Activities
2163	IMFOUT							
2162	IMFOL							
2164	IMFPOST							
2165	IMFPRE							
2160	IMFDIF							

Key Deliverables

Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
2160	Analysis, Design, Development, and Operation Support	Analysis and design; code and unit testing; documentation; and operation support	2012-09-30	2012-09-30		256	0	0.00%
2163	Analysis, Design, Development, and Operation Support	Analysis and design; code and unit testing; documentation; and operation support	2012-09-30	2012-09-30		256	0	0.00%
2162	Analysis, Design, Development, and Operation Support	Analysis and design; code and unit testing; documentation; and operation support	2012-09-30	2012-09-30		256	0	0.00%
2164	Analysis, Design, Development, and Operation Support	Analysis and design; code and unit testing; documentation; and	2012-09-30	2012-09-30		256	0	0.00%

				Key Deliverables				
Project Name	**Activity Name**	**Description**	**Planned Completion Date**	**Projected Completion Date**	**Actual Completion Date**	**Duration (in days)**	**Schedule Variance (in days)**	**Schedule Variance (%)**
		operation support						
2165	Analysis, Design, Development, and Operation Support	Analysis and design; code and unit testing; documentation; and operation support	2012-09-30	2012-09-30		256	0	0.00%

EXHIBIT 300   **UII 015-000000014**

Section C: Operational Data

Table II.C.1 Performance Metrics								
Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
Interest paid on taxpayer refunds per 1 Million Dollars. This figure represents total Refund Interest divided by total refund dollars issued on original settlement. Measurement data is provided by W&I and SB/SE in the SMART database. The Business target for this measure is established by CAS every January, with a yearly goal and cummulative planned projection for each month. The results report the variance against the target, and the monthly cummulative target is reported in the comments.	Dollars per Million Paid in Refunds	Process and Activities - Cycle Time and Timeliness	Under target	37.010000	52.000000	14.040000	29.500000	Monthly
Percent of Taxpayer refunds (paper returns only) issued within 40 days. Timeliness measured by sampling taxpayers receiving refunds. Measurement data is provided by W&I and SB/SE in Submission Processing (SMART) database. The Business target for	Percent of Refund Issued Within 40 Days	Customer Results - Timeliness and Responsiveness	Over target	99.500000	99.200000	99.400000	97.500000	Monthly

EXHIBIT 300   **UII 015-000000014**

Table II.C.1 Performance Metrics								
Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
this measure is established by CAS every January, with a yearly goal and cummulative planned projection for each month. The results report the variance against the target, and the monthly cummulative target is reported in the comments								
Refund Error rate with Systemic Errors- The error rate is the ratio of total incorrect refunds compared to the total number of refunds. Measurement data is provided by W&I and SB/SE in the SMART database. Systemic errors (errors attributed to incorrect programming, less than ideal products from properly working systems, and incorrect IRM procedures) are also included in the rates which indicate "with systemic errors". CAS sets the yearly target for this measure in January	Percent of Refund Errors Per Refund Issued	Customer Results - Service Quality	Under target	3.900000	3.000000	1.100000	2.900000	Monthly
IMF completes planned processing schedule (e.g., daily, weekly) to meet refund, notice and	Percent	Technology - Reliability and Availability	Over target	100.000000	100.000000	100.000000	95.000000	Monthly

EXHIBIT 300   **UII 015-000000014**

Table II.C.1 Performance Metrics								
Metric Description	**Unit of Measure**	**FEA Performance Measurement Category Mapping**	**Measurement Condition**	**Baseline**	**Target for PY**	**Actual for PY**	**Target for CY**	**Reporting Frequency**
on-line access deadlines. Measurement available on Enterprise Operations weekly reports.								
The percentage of scheduled system availability per the approved Service Level Agreement, as documented monthly by IRS Enterprise Services in the IT Performance Report.	Percentage	Technology - Reliability and Availability	Over target	95.000000	95.000000	100.000000	95.000000	Monthly